

AMENDED IN SENATE AUGUST 4, 2014

AMENDED IN ASSEMBLY MAY 23, 2014

AMENDED IN ASSEMBLY MAY 6, 2014

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2299

Introduced by Assembly Member Nazarian

February 21, 2014

An act to amend ~~Section~~ *Sections 4519.6 and 4659.1* of the Welfare and Institutions Code, relating to developmental services.

LEGISLATIVE COUNSEL'S DIGEST

AB 2299, as amended, Nazarian. Developmental services: health insurance ~~copayments~~. *copayments, coinsurance, and deductibles*.

The Lanterman Developmental Disabilities Services Act authorizes the State Department of Developmental Services to contract with regional centers to provide services and supports to individuals with developmental disabilities. Under existing law, the regional centers purchase needed services for individuals with developmental disabilities through approved service providers or arrange for their provision through other publicly funded agencies. ~~The Existing law provides that~~ *the* services and supports to be provided to a regional center consumer are contained in an individual program plan or individualized family service plan, developed in accordance with prescribed requirements. Existing

Existing law authorizes a regional center to pay any applicable ~~copayment or coinsurance~~ *copayment, coinsurance, or deductible* for

a service or support required by a consumer's individual program plan if the service is paid for by the health care service plan or health insurance policy of the consumer or his or her parent, guardian, or caregiver and, among other conditions, the family or the consumer, as applicable, has an annual gross income that does not exceed 400% of the federal poverty level. ~~Existing law prohibits a regional center from paying health care service plan or health insurance policy deductibles.~~

~~This bill would instead authorize a regional center, without regard to the family's or consumer's annual gross income, center to pay any applicable copayment or coinsurance copayment, coinsurance, or deductible for a service or support required by a consumer's individual program plan if the support or service or support is paid for by the health care service plan or health insurance policy of the consumer or his or her parent, guardian, or caregiver and, among other things, the family or the person with a health care service plan or health insurance policy, as applicable, has an annual adjusted gross income that does not exceed 400% of the federal poverty level. The bill would also authorize a regional center to pay a deductible associated with those plans or policies if the service or support is necessary to successfully maintain the child at home or the adult consumer in the least restrictive setting and specified conditions relating to the financial need of the parent, caregiver, or consumer are satisfied.~~

Existing law, notwithstanding the provisions described above, authorizes a regional care center to pay an applicable copayment, coinsurance, or deductible if the annual gross income of the family or consumer, as applicable, exceeds 400% of the federal poverty level, the service or support is necessary to successfully maintain the child at home or the adult consumer in the least restrictive setting, and the parents or consumer demonstrate that a specified circumstance applies.

This bill would instead authorize a regional care center to pay an applicable copayment, coinsurance, or deductible if the family or person with a health care service plan or health insurance policy has an adjusted gross annual income that exceeds 400% of the federal poverty level and the parents or person demonstrates that a specified circumstance applies, including, among other things, that the service or support is necessary to successfully maintain the child at home or the adult consumer in the least restrictive setting and that the payment will maintain third-party liability for the cost of the service or support, as specified, or otherwise limit financial liability to the state.

Existing law requires a parent, guardian, or caregiver of a consumer or an adult consumer to self-certify the family's gross annual income to the regional center for purposes of these provisions by providing specified financial documents.

This bill would prohibit any additional financial documentation beyond that which establishes adjusted gross annual income from being required of a parent, guardian, or caregiver of a consumer or adult consumer, except as specified.

Existing law requires the department and the regional centers to annually collaborate to determine the most appropriate methods to collect and compile meaningful data in a uniform manner related to the payment of copayments, coinsurance, and deductibles by each regional center, as specified.

This bill would require the department to annually report data collected pursuant to these provisions to the Legislature for purposes of examining the feasibility and costs associated with removing the income requirements described above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 4519.6 of the Welfare and Institutions
- 2 Code is amended to read:
- 3 4519.6. (a) *It is the intent of the Legislature to maintain full*
- 4 *access to services provided through an individual program plan*
- 5 *pursuant to this division or through an individualized family service*
- 6 *plan pursuant to the California Early Intervention Services Act*
- 7 *(Title 14 (commencing with Section 95000) of the Government*
- 8 *Code) and to not limit the access of children and adults to services*
- 9 *determined to be a part of an individual program plan or*
- 10 *individualized family service plan based on the payment of*
- 11 *copayments, coinsurance, or deductibles.*
- 12 (b) *The department and the regional centers shall annually*
- 13 *collaborate to determine the most appropriate methods to collect*
- 14 *and compile meaningful data in a uniform manner, as specified in*
- 15 *Section 4519.5, related to the payment of copayments, coinsurance,*
- 16 *and deductibles by each regional center. The department shall*
- 17 *annually report data collected pursuant to this subdivision to the*
- 18 *Legislature for purposes of examining the feasibility and costs*

1 *associated with removing the income requirements established in*
2 *Section 4659.1 during the 2015–16 fiscal year and thereafter.*

3 *(c) (1) The requirement for submitting a report imposed under*
4 *subdivision (b) is inoperative on January 1, 2019, pursuant to*
5 *Section 10231.5 of the Government Code.*

6 *(2) A report submitted pursuant to subdivision (b) shall be*
7 *submitted in compliance with Section 9795 of the Government*
8 *Code.*

9 *SEC. 2. Section 4659.1 of the Welfare and Institutions Code*
10 *is amended to read:*

11 4659.1. (a) If a service or support provided pursuant to a
12 consumer's individual program plan under this division or
13 individualized family service plan pursuant to the California Early
14 Intervention Services Act (Title 14 (commencing with Section
15 95000) of the Government Code) is paid for, in whole or in part,
16 by the health care service plan or health insurance policy of the
17 consumer's parent, guardian, or caregiver, the regional center may,
18 when necessary to ensure that the consumer receives the service
19 or support, pay any applicable copayment, coinsurance, or
20 deductible associated with the service or support for which the
21 parent, guardian, or caregiver is responsible if all of the following
22 conditions are met:

23 (1) The consumer is covered by his or her parent's, guardian's,
24 or caregiver's health care service plan or health insurance policy.

25 (2) The family has an annual *adjusted* gross income that does
26 not exceed 400 percent of the federal poverty level.

27 (3) There is no other third party having liability for the cost of
28 the service or support, as provided in subdivision (a) of Section
29 4659 and Article 2.6 (commencing with Section 4659.10).

30 (b) If a service or support provided to a consumer 18 years of
31 age or older, pursuant to his or her individual program plan, is paid
32 for in whole or in part by the consumer's *or guardian's* health care
33 service plan or health insurance policy, the regional center may,
34 when necessary to ensure that the consumer receives the service
35 or support, pay any applicable copayment, coinsurance, or
36 deductible associated with the service or support for which the
37 ~~consumer~~ *person with a health care service plan or health*
38 *insurance policy* is responsible if both of the following conditions
39 are met:

1 (1) ~~The consumer~~ *person with a health care service plan or*
2 *health insurance policy* has an annual *adjusted* gross income that
3 does not exceed 400 percent of the federal poverty level.

4 (2) There is no other third party having liability for the cost of
5 the service or support, as provided in subdivision (a) of Section
6 4659 and Article 2.6 (commencing with Section 4659.10).

7 (c) Notwithstanding paragraph (2) of subdivision (a) or
8 paragraph (1) of subdivision (b), a regional center may pay a
9 copayment, coinsurance, or deductible associated with the health
10 care service plan or health insurance policy for a service or support
11 provided pursuant to a consumer's individual program plan or
12 individualized family service plan if ~~the family's or consumer's~~
13 *family or person with a health care service plan or health*
14 *insurance policy has an annual adjusted gross income that exceeds*
15 *400 percent of the federal poverty level-level, the service or support*
16 *is necessary to successfully maintain the child at home or the adult*
17 *consumer in the least-restrictive setting, and the parents or*
18 *consumer parents or person* demonstrate one or more of the
19 following:

20 (1) *The service or support is necessary to maintain the child at*
21 *home or the adult consumer in the least restrictive setting.*

22 (2) *The payment will maintain third-party liability for the cost*
23 *of the service or support, as provided in subdivision (a) of Section*
24 *4659 and Article 2.6 (commencing with Section 4659.10), or will*
25 *otherwise limit financial liability to the state.*

26 ~~(1)~~

27 (3) The existence of *a financial hardship or* an extraordinary
28 event that impacts the ability of the parent, guardian, or caregiver
29 to meet the care and supervision needs of the child or impacts the
30 ability of the parent, guardian, or caregiver, or adult consumer
31 with a health care service plan or health insurance policy, to pay
32 the copayment, coinsurance, or deductible.

33 ~~(2)~~

34 (4) The existence of catastrophic loss that temporarily limits
35 the ability to pay of the parent, guardian, or caregiver, or adult
36 consumer with a health care service plan or health insurance policy
37 and creates a direct economic impact on the family or adult
38 consumer. For purposes of this paragraph, catastrophic loss may
39 include, but is not limited to, natural disasters and accidents
40 involving major injuries to an immediate family member.

1 ~~(3)~~
2 (5) Significant unreimbursed medical costs associated with the
3 care of the consumer or another child who is also a regional center
4 consumer.

5 (d) The parent, guardian, or caregiver of a consumer or an adult
6 consumer with a health care service plan or health insurance policy
7 shall self-certify ~~the family's~~ *his or her adjusted* gross annual
8 income *for purposes of this section* to the regional center by
9 providing copies of W-2 Wage Earners Statements, payroll stubs,
10 a copy of the prior year's state income tax return, or other
11 documents and proof of other income. *Additional financial*
12 *documentation shall not be required unless an exemption is*
13 *requested pursuant to subdivision (c). If an exemption is requested,*
14 *only documentation necessary to support that request shall be*
15 *required to be provided.*

16 (e) The parent, guardian, or caregiver of a consumer or an adult
17 consumer with a health care service plan or health insurance policy
18 is responsible for notifying the regional center when a change in
19 income occurs that would result in a change in eligibility for
20 coverage of the health care service plan or health insurance policy
21 copayments, coinsurance, or deductibles.

22 (f) Documentation submitted pursuant to this section shall be
23 considered records obtained in the course of providing intake,
24 assessment, and services and shall be confidential pursuant to
25 Section 4514.

26 (g) This section shall not be implemented in a manner that is
27 inconsistent with the requirements of Part C of the federal
28 Individuals with Disabilities Education Act (20 U.S.C. Sec. 1431
29 et seq.).

30 ~~SECTION 1. Section 4659.1 of the Welfare and Institutions~~
31 ~~Code is amended to read:~~

32 ~~4659.1. (a) If a service or support provided pursuant to a~~
33 ~~consumer's individual program plan under this division or~~
34 ~~individualized family service plan pursuant to the California Early~~
35 ~~Intervention Services Act (Title 14 (commencing with Section~~
36 ~~95000) of the Government Code) is paid for, in whole or in part,~~
37 ~~by the health care service plan or health insurance policy of the~~
38 ~~consumer's parent, guardian, or caregiver, the regional center may,~~
39 ~~when necessary to ensure that the consumer receives the service~~
40 ~~or support, pay any applicable copayment or coinsurance associated~~

1 with the service or support for which the parent, guardian, or
2 caregiver is responsible if both of the following conditions are
3 met:

4 (1) The consumer is covered by his or her parent's, guardian's,
5 or caregiver's health care service plan or health insurance policy.

6 (2) There is no other third party having liability for the cost of
7 the service or support, as provided in subdivision (a) of Section
8 4659 and Article 2.6 (commencing with Section 4659.10).

9 (b) If a service or support provided to a consumer 18 years of
10 age or older, pursuant to his or her individual program plan, is paid
11 for in whole or in part by the consumer's health care service plan
12 or health insurance policy, the regional center may, when necessary
13 to ensure that the consumer receives the service or support, pay
14 any applicable copayment or coinsurance associated with the
15 service or support for which the consumer is responsible if there
16 is no other third party having liability for the cost of the service
17 or support, as provided in subdivision (a) of Section 4659 and
18 Article 2.6 (commencing with Section 4659.10).

19 (c) Notwithstanding subdivision (c), a regional center may pay
20 a deductible associated with the health care service plan or health
21 insurance policy for a service or support provided pursuant to a
22 consumer's individual program plan or individualized family
23 service plan if the service or support is necessary to successfully
24 maintain the child at home or the adult consumer in the
25 least-restrictive setting and the parents or consumer demonstrate
26 one or more of the following:

27 (1) The existence of an extraordinary event that impacts the
28 ability of the parent, guardian, or caregiver to meet the care and
29 supervision needs of the child or impacts the ability of the parent,
30 guardian, or caregiver, or adult consumer with a health care service
31 plan or health insurance policy, to pay the deductible.

32 (2) The existence of catastrophic loss that temporarily limits
33 the ability to pay of the parent, guardian, or caregiver, or adult
34 consumer with a health care service plan or health insurance policy
35 and creates a direct economic impact on the family or adult
36 consumer. For purposes of this paragraph, catastrophic loss may
37 include, but is not limited to, natural disasters and accidents
38 involving major injuries to an immediate family member.

1 ~~(3) Significant unreimbursed medical costs associated with the~~
2 ~~care of the consumer or another child who is also a regional center~~
3 ~~consumer.~~

4 ~~(d) Documentation submitted pursuant to this section shall be~~
5 ~~considered records obtained in the course of providing intake,~~
6 ~~assessment, and services and shall be confidential pursuant to~~
7 ~~Section 4514.~~

8 ~~(e) Except as provided in subdivision (e), regional centers shall~~
9 ~~not pay health care service plan or health insurance policy~~
10 ~~deductibles.~~

11 ~~(f) This section shall not be implemented in a manner that is~~
12 ~~inconsistent with the requirements of Part C of the federal~~
13 ~~Individuals with Disabilities Education Act (20 U.S.C. Sec. 1431~~
14 ~~et seq.).~~